

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the City of Billings, Montana (the "City"), hereby certify that the attached resolution is a true copy of a Resolution entitled: "RESOLUTION RELATING TO \$168,000 POOLED SPECIAL IMPROVEMENT DISTRICT BONDS (SPECIAL IMPROVEMENT DISTRICT NOS. 1375 AND 1377); AWARDING THE SALE THEREOF AND APPROVING CERTAIN MATTERS WITH RESPECT THERETO" (the "Resolution"), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Council of the City at a regular meeting on August 27, 2007, and that the meeting was duly held by the City Council and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Council Members voted in favor thereof: Ronquillo; Gaghen, Stevens, Brewster, Veis, Ruegamer, Ulledalen, Boyer, Jones and Clark; voted against the same: _____; abstained from voting thereon: _____; or were absent: _____.

WITNESS my hand and seal officially this 27th day of August, 2007.

(SEAL)

Cari Martin
City Clerk

RESOLUTION NO. 07-18595

RESOLUTION RELATING TO \$168,000 POOLED SPECIAL IMPROVEMENT DISTRICT BONDS (SPECIAL IMPROVEMENT DISTRICT NOS. 1375 AND 1377); AWARDING THE SALE THEREOF AND APPROVING CERTAIN MATTERS WITH RESPECT THERETO

BE IT RESOLVED by the City Council (the "Council") of the City of Billings, Montana (the "City"), as follows:

1. This Council on August 13, 2007 adopted Resolution No. 07-18583 providing for the public sale of \$168,000 Pooled Special Improvement District Bonds (the "Bonds") to finance the costs of certain local improvements to be undertaken in or for the benefit of Special Improvement District Nos. 1375 and 1377. Notice of the sale has been duly published in accordance with Montana Code Annotated, Sections 7-12-4204, 7-7-4252 and 17-5-106. Pursuant to the notice of sale, one (1) bid for the purchase of the Bonds was received at or before the time specified for receipt of bids. The bids have been opened or accessed and publicly read and considered, and the purchase price, interest rates and net interest cost under the terms of each bid have been determined.

2. The bid of \$168,000 of US Bank (the "Purchaser"), attached as Exhibit A, to purchase the Bonds of the City, is hereby determined to comply with the notice of sale, and to be the lowest, most reasonable bid for the purchase of the Bonds. The bid of the Purchaser is hereby accepted by the Council and the sale of the Bonds is hereby awarded to the Purchaser. The bid security of the Purchaser shall be retained pending delivery of the payment for the Bonds and the bid security of all other bidders shall be promptly returned.

3. The Mayor and City Clerk are hereby authorized and directed to execute a purchase contract with the Purchaser with respect to the Bonds.

4. This Council shall prescribe the form and security for the Bonds in a subsequent resolution.

PASSED AND APPROVED by the City Council of the City of Billings, Montana, this 27th day of August, 2007.



Mayor

Attest: Cari Martin
City Clerk



\$168,000
City of Billings, Montana
Pooled Special Improvement District Bonds
(Special Improvement District Nos. 1375 and 1377)

OFFICIAL BID FORM

City of Billings
Attention: Financial Services Manager
210 North 27th Street
Billings, Montana 59101

August 27, 2007

Pursuant to your Official Notice of Sale, dated August [13], 2007 (the "Notice of Sale") for the purchase from you of \$168,000 principal amount of your Pooled Special Improvement District Bonds, (Special Improvement District Nos. 1375 and 1377) (the "Bonds"), we hereby offer to purchase:

(1) serial Bonds from you at the purchase price of \$168,000, which amount is not less than \$164,640, plus accrued interest from September 20, 2007, to the date of delivery of the Bonds to us, the Bonds to bear interest at the rates set forth opposite the years and amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2008	\$8,000	<u>5.05%</u>	2016	\$10,000	<u>5.05%</u>
2009	10,000	<u> %</u>	2017	10,000	<u> %</u>
2010	10,000	<u> %</u>	2018	10,000	<u> %</u>
2011	10,000	<u> %</u>	2019	15,000	<u> %</u>
2012	10,000	<u> %</u>	2020	15,000	<u> %</u>
2013	10,000	<u> %</u>	2021	15,000	<u> %</u>
2014	10,000	<u> %</u>	2022	15,000	<u> %</u>
2015	10,000	<u> %</u>			<u> %</u>

To the extent our bid includes term bonds, we have placed a "T" in front of the stated maturities to be the term and have indicated the principal amounts thereof below the stated maturity. Any such term bond(s) will be subject to mandatory sinking fund redemption in installments and in the same amounts and same dates as the bonds would have matured if they were not included in a term bond.

Enclosed herewith is lawful money of the United States or cashier's check, certified check, bank money order or a bank draft drawn and issued by a federally chartered or state chartered bank insured by the Federal Deposit Insurance Corporation or a financial surety bond, payable to the order of "City of Billings", in the amount of \$3,160 to be held and disposed of by you as provided in the Notice of Sale. This bid must be accepted in its entirety within the time provided in the Notice of Sale and if not so accepted by you within such time shall be deemed to have been rejected. This bid shall remain irrevocable until the expiration of such time unless sooner rejected by you.

Each of the Bidders: (i) acknowledges receipt of the Notice of Sale; (ii) represents and warrants that it has full power and authority to make this bid and to purchase the Bonds if this bid is accepted; and (iii) agrees that the validity and interpretation of this bid shall be governed by the laws of the State of Montana. In the event the Bidders are acting through a Representative or Representatives, each of the undersigned Representatives warrants that it has the necessary power and authority to act on behalf of each of the Bidders.

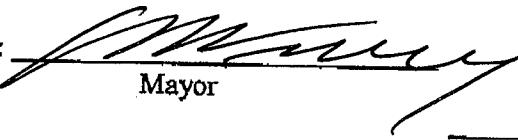
Respectfully submitted this 27th day of August, 2007.

COMPANY: US Bank
BY: Herb Neufeld
Address 9th floor, 101 E. Fifth St.
City St. Paul
State MN
Telephone 651-466-8605

As Representative(s) of the person, firms and/or corporations named below:

Accepted as of the date above written:

Attest:

By: 
Mayor

By: Cari Martin
City Clerk

Not as part of this bid, but for informational purposes, we compute this bid as follows:

Total interest from September 20, 2007 to maturity	\$ <u>72,272.23</u>
Plus: underwriting discount, if any	\$ <u>- 0 -</u>
Net interest cost	\$ <u>72,272.23</u>
True interest rate	<u>5.0511402 %</u>